



MissouriEnterprise

JULY - AUGUST 2003

Mission Statement: To make Missouri the best place to live, work, vacation and conduct business.

Volume 23, No. 4

Department of Economic Development

Department of Economic Development initiates major reorganization

Missouri Department of Economic Development Director Joseph L. Driskill recently announced a major reorganization of the department that will focus state efforts on recruitment of new businesses, helping current businesses succeed, and providing financial services for new and existing businesses.

Driskill said the reorganization is necessary to enable the department to remain effective despite significant budget and staff cuts and the changing nature of business competition.

“Frankly, there are some activities DED has done in the past that we can no longer afford to do in the same way, but our goals remain the same: to bring success to the businesses, communities

and workers of Missouri,” said Driskill. “That is why this reorganization is so important because we must target our efforts to increase efficiency and reduce costs, eliminate duplication of programs and services, streamline our organizational structure, and expand outreach. More than ever, we will need to work closely with our partners across the state.”

Driskill pointed out that some of the services previously provided by the department that are also available from other agencies and organizations will be reduced by DED. He stressed the department would intensify its outreach and partnership efforts to ensure quality services are accessible to all who need them.

“The Department of Economic Development

is responsible for helping the businesses, communities, and families of Missouri achieve economic growth,” said Driskill. “One of the ways we do this is by focusing on the unique needs of each region of the state and working with our partners in those regions to ensure needs are met.

The regional development teams we are forming as part of our reorganization will help us strengthen those partnerships and target our services toward the creation and retention of jobs.”



Two DED divisions, *continued on page 5*

New regional development teams will deliver state economic development services

In August, Missouri Department of Economic Development Director Joseph L. Driskill announced plans to create six regional development teams that will provide a group of experts to bring a new approach to solving some of the economic and community needs of Missouri regions. Teams will be formed to ensure that state services designed to foster job growth and community development are as effective and coordinated as possible.

Driskill pointed out that the department is making a new commitment to provide services that are tailored to meet the needs of each region of the state. Because economic conditions vary from one part of the state to another, a more targeted strategy is needed in order to maximize the opportunity for job creation and community growth.

In order to better understand the unique strengths and needs of all areas of Mis-

souri, the department previously subdivided the state into 13 economic regions. Those regions were drawn to reflect areas where people live and commute to work and the retail trade areas commonly identified by businesses. Economic data has been gathered and analyzed in those regions in order to provide both state and local officials with solid information that can be used in developing better regional strategies to attract and retain jobs and businesses and improve the quality of life.

Six regional teams will be formed over the next few weeks. The Southeast team is already operating in the 26 counties that make up the economic regions designated as Bootheel, South Central, and Lower East Central-Cape. The other five regional teams will also be responsible for more than one economic region as they customize *continued on page 5*

CHECK IT OUT!

As part of the transition to regional teams, the DED Web site, www.missouridevelopment.org, has been changed to highlight the state's economic regions and focus more on available services than on programs and department organization. Regional team members can be contacted through the Web site or by calling 573-522-1633.

IN THIS ISSUE

State of Employment	Page 2
Disaster Recovery Fund	Page 3
Americorps Grants	Page 4
Life Sciences Bill	Page 5
Workforce Development Conference	Page 6
Customized Training Grants	Page 7
Governor's Conference on Tourism	Page 8
Newsbriefs	Page 9

Applications Available for CDC Grant Program

Community development corporations across the state are invited to apply for special opportunity grants to fund specific projects designed to promote revitalization, housing and job creation. The special opportunity grants are awarded under the CDC program on an annual basis. The current application period is for Fiscal Year 2004.

Under the special opportunity grant program, a CDC may submit just one application, with grants ranging up to \$75,000 per award. The grant program is competitive and is reviewed and evaluated by Community Development staff for approval.

The deadline for applications is September 30. Applications are available by contacting the CDC program at 573-522-6155 or e-mail at cdc@ded.state.mo.us. The application is also available on the department's Web site by selecting "FY 04 Application" at www.missouridevelopment.org/communities/communitydevelopment/cdc/grant.



Mid-America survey indicates Missouri's economy is expanding

A key indicator of economic conditions in states across mid-America showed Missouri's economy was continuing to expand in July. At a score of 60.4, Creighton University's Purchasing Managers' Index (PMI) showed Missouri's score was higher in July than any month since July 2002.

The survey also showed Missouri ranks well ahead of the national PMI score of 51.8 and ahead of the Mid-America Region average of 56.0. July also marked the 18th consecutive month that Missouri's score remained above the 50 level, which is considered to be one sign of an expanding economy.

Economists consider the index, which measures such factors as new orders, production, supplier delivery times, backlogs, inventories, prices, employment, import orders and exports, a key economic indicator.

In July the state businesses indicated strong performance in new orders at 67.3, production 65.4, and employment 59.6. Missouri ranked third among the nine states in the Mid-America Region as its score of 60.4 trailed only South Dakota 63.1 and Nebraska 61.2.

The Mid-America PMI is released monthly in conjunction with the national PMI, which indicated an expansion in the national economy in July for the first time since February. The Purchasing Managers' Index is part of a monthly Mid-American Business Conditions Survey, conducted by Creighton University in Omaha, NE.

STATE OF EMPLOYMENT

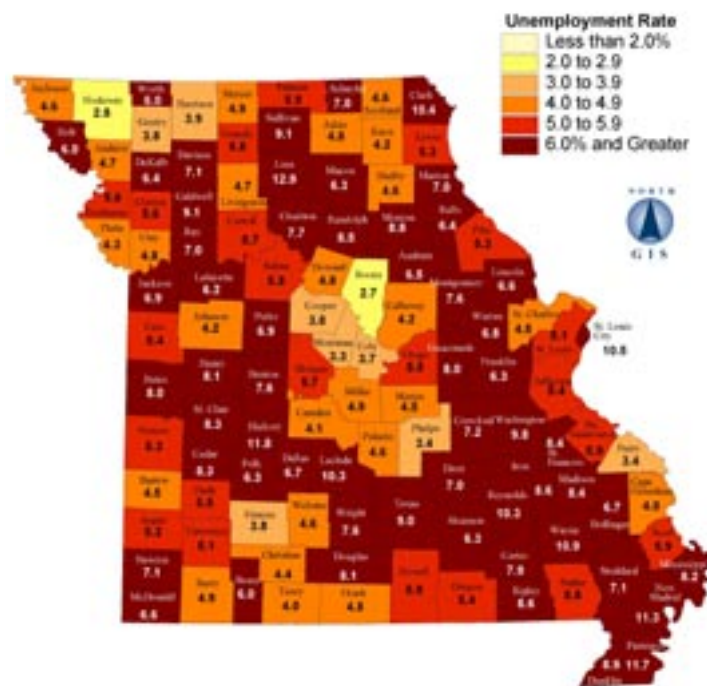
Missouri's unemployment rate edged down in July by a tenth of a point to 5.6 percent, on a seasonally adjusted basis. The rate is a tenth of a point lower than it was a year ago and marks the first decrease in seasonally adjusted unemployment since February. It also remains over a half percent lower than the national unemployment rate of 6.2 percent.

Approximately 165,700 Missourians were estimated to have been jobless in July. The state's unadjusted unemployment rate remained unchanged at 5.8 percent, compared to a 6.3 percent unadjusted rate at the national level.

Non-farm payroll employment decreased by 39,600 from June to 2,634,900, seasonally adjusted, as payrolls at schools and colleges fell after the end of the spring semester. Accounting for some of the most significant employment losses in July were private educational and health services employment, down by 4,700, and government employment, which fell by 40,100 jobs. Employment

was also down in trade, transportation and utilities (-2,500 jobs), information (-1,400 jobs), and financial activities (-600 jobs.)

Employment in other private industries increased over the month by 5,200 jobs. Leisure and hospitality industries reported the greatest gain at 7,600 jobs. Manufacturing, construction, and services other than educational and health services had small increases in July.



CALENDAR

- September 1 Labor Day
State Offices Closed
- September 10 Veto Session
- September 15-17 Governor's Conference
on Tourism, Osage Beach
- October 8-9 National Labor Market
Information Forum
St. Louis
- October 8-9 2003 Governor's
Conference on Workforce Development
Lake Ozark
- October 13 Columbus Day
State Offices Closed
- October 26-27 Missouri Community
Betterment Conference
Columbia
- November 6-7 Midwest Governors'
Conference Annual Meeting
St. Louis
- November 11 Veterans Day
State Offices Closed

Holden announces state TIF approval for Kansas City IRS project

Governor Bob Holden awarded \$48 million in State Tax Increment Financing (TIF) funding to help build portions of the proposed Internal Revenue Service Center project on Pershing Road near Union Station in Kansas City. The project will move 6,000 workers into downtown Kansas City and will create 1,800 new jobs for Missouri. The state TIF application was submitted by the city of Kansas City.

The project involves renovating the existing Kansas City Post Office and constructing three new office buildings, a warehouse facility, parking garages, a pedestrian bridge and other facilities to accommodate new Internal Revenue Service employees and existing Postal Service employees. About 200 employees in the existing Post Office will move into a new postal facility in Union Station.

The state TIF funding means that the project is eligible to receive up to \$47.9 million over a 23-year period. Through the state TIF program, a portion of the new state tax revenues

that are expected to be generated in the project area over the next 23 years will be collected by the state and sent back to the city to be used to construct parking garages and infrastructure related to the project.

Joseph L. Driskill, director of the Missouri Department of Economic Development and Jacquelyn D. White, commissioner of the Office of Administration, jointly approved the state tax increment financing application. State law requires both officials to approve state TIF projects.

The project involves about \$120.1 million in local and state TIF financing, \$30.5 million in developer equity and \$214 million in private debt. The investment amounts are stated in present value terms. The Department of Economic Development also expects to grant state historic tax credits in an amount up to \$13.5 million.

The state's first TIF payment will be in fiscal year 2007.

IRS

Missouri receives federal grants to supplement workforce services

The Missouri Department of Economic Development's Division of Workforce Development (DWD) was notified in July that the U.S. Department of Labor had approved up to \$1,379,721 in National Emergency Grant funds for approximately 340 workers dislocated from five companies in the St. Louis area. Those companies include General Mills/Pillsbury, Engineered Air Systems, U.S. Cotton, Arkansas Blue Cross/Blue Shield and Siegel-Robert.

The U.S. Department of Labor will initially release \$419,295 of the grant, which will be administered through the Missouri Career Centers in the St. Louis region to aid workers laid-off from those five companies.

The Division of Workforce Development also received federal approval from the Department of Labor for up to \$2,828,793 for approximately 800 workers who lost their jobs as a result of layoffs and closures of multiple companies in the South Central and mid-Missouri regions. Those companies include VF Jeanswear in Lebanon, Rawlings Sporting Goods in Licking, Universal Automotive Industries, Inc. in Cuba,

and Nexans Magnet Wire USA, Inc. and National Refractories in Mexico.

The U.S. Department of Labor will initially release \$1,470,973 of this grant, which will be administered through the Missouri Career Centers in each of these regions to aid the workers who lost their jobs at one of these five companies in the South Central and mid-Missouri areas.

The grants will supplement existing re-employment and training services provided at Missouri Career Centers, including assessment, job search assistance, job development, job placement, basic skills training and counseling to assist the laid-off workers. The grant may also fund retraining opportunities to upgrade current skills, retrain individuals for a new career or provide entrepreneurial training for those interested in starting a business. These individuals can also be referred to other agencies and support service programs to help address other needs.

National Emergency Grants are a part of the U.S. Secretary of Labor's discretionary fund and are awarded once a state submits a request and the grant guidelines have been met.

Holden announces \$20 million disaster recovery fund

On July 17, Gov. Bob Holden announced the creation of a Disaster Recovery Fund by the Missouri Department of Economic Development to help provide long term relief to communities, businesses and families that sustained damage from a series of tornadoes and severe storms last May.

More than \$20 million will be available by allocating funding from existing DED programs to the recovery fund.

The fund was established after disaster recovery teams from DED met with business owners and local officials in communities that sustained damage to determine where gaps existed between federal assistance programs and private insurance. Six public hearings were also held with stakeholders before the relief program was finalized.

Missouri Department of Economic Development Director Joseph L. Driskill explained that funds are coming from the Missouri Housing Development Commission, the Neighborhood Assistance Program, Neighborhood Preservation Program, the Community Development Block Grant Program and from the use of National Emergency Grant funds administered by DED's Division of Workforce Development.

Applications to access the fund will be made through local governments, community action agencies, and workforce investment boards that serve the 70-plus Missouri counties designated as disaster areas by the Federal Emergency Management Agency. Individuals are encouraged to contact the agencies in their area to complete applications.

Additional information is available by calling DED's Community Development Group at 573-751-4146 or on the department's web site at www.missouridevelopment.org.



Holden Recommends 10 Economic Growth Projects to Delta Regional Authority

In July, Gov. Bob Holden recommended 10 projects totaling \$740,225 for funding by the Delta Regional Authority to help stimulate economic growth and jobs in the southeast part of the state.

All of the projects were recommended to Holden by the Missouri Commission on the Delta Regional Authority, which met July 1 to review and rate 32 pre-applications that had been deemed eligible by the federal Authority. In all, 57 applications were submitted, totaling \$7.1 million.

The Delta Regional Authority was created by legislation signed by President Bill Clinton in December of 2000 and is a partnership serving 236 counties. Besides Missouri, other states served by the Authority are: Kentucky, Illinois, Tennessee, Mississippi, Alabama, Louisiana and Arkansas. The governors of all eight states serve on the DRA board.



The DRA had just over \$6.1 million to allocate to the eight states in the designated Delta Region this year. Last year the group had two years worth of funding and allocated approximately \$30 million. Last August, Governor Holden recommended 18 projects totaling more than \$3 million from Missouri.

Following is a list of projects recommended by Gov. Holden. All of the projects include some local funds.

Washington County Industrial Development Authority -- \$41,200 for a project to extend sewers to an industrial park near Potosi, which will result in one industry locating there and the potential for more in the future.

Southeast Missouri Regional Port Authority -- \$50,000 to help fill approximately 16.5 acres of industrial sites near the port's slackwater harbor.

Texas County Technical Institute -- \$200,000 to help cover the costs of a 3,000 square foot addition to house new medical programs, including a Registered Nurses "bridge program."

Southeast Missouri State University -- \$26,805 to go into a revolving loan fund program to provide up to \$10,000 in loans for new businesses in the region.

City of Lilbourn -- \$11,000 to be used toward the construction of a rail spur in the city that will attract a new facility with 35 new jobs and an investment of \$5 million.

Southeast Missouri Regional Port Authority -- \$17,000 for improvements to the port's rail yard.

New Madrid Port Authority -- \$127,870 to pave a road leading into the harbor, which will help retain at least 42 jobs and help attract new industries in the future.

Scott County -- \$127,500 to help fund the paving of 5.1 miles of Highway 266 so that agricultural products can be moved into the Southeast Missouri Regional Port Authority and access to retailers improved.

Cape Girardeau County -- \$46,350 to help fund the costs of extending Route AB (Nash Road) approximately three and a half miles to improve access to industrial areas and businesses.

Howell County -- \$92,500 for the construction of three-phase electrical lines for a public water district.

AmeriCorps Grants announced for Missouri

The Missouri Community Service Commission recently announced the approval of its 2003-2004 AmeriCorps State Competitive, State Formula and State Planning Grant awards, which will support 12 programs and 156 AmeriCorps members across the state.

The AmeriCorps State Competitive and AmeriCorps State Formula grants provide federal funds from the Corporation for National and Community Service for living allowances and program administration to program recipients. Programs for the 2003-2004 year will bring more than \$1.7 million in federal grant money into Missouri. More importantly, AmeriCorps members affiliated with these programs are slated to serve over 348,000 hours directed at solving local challenges in the areas of education, public safety, human needs and the environment.

One new program was approved for Missouri: the Missouri River Communities Network, which is a statewide program designed to enhance stewardship of the Missouri River and educate people on the history and culture associated with it.

AmeriCorps programs that have received an award in the past and will receive funding for the 2003-2004 program year are: AmeriCorps-St. Louis Educational Team, Purdy R-II School District, Republic R-III School District, Nixa Learning Coaches, Grace Hill AmeriCorps Trail (St. Louis), Fulton 58 Public Schools, Missouri Girls Town Foundation (Kingdom City), American Red Cross - St. Louis, Seneca R-7 School District and AmeriCorps - St. Louis Safety Education Corps.

Poplar Bluff's Promise Volunteer Center was approved for an AmeriCorps State Planning Grant. Planning grants are awarded to any 501(c)3 not-for-profit organization, local or state agency, school district, or institution of higher education that will develop a plan to administer a 2004-2005 AmeriCorps State Formula project.

AmeriCorps programs in Missouri will tutor and mentor youth, build affordable housing, teach computer skills, clean parks and streams, run after-school programs, and help communities respond to disasters.



Regional development teams *continued*

services to reflect regional demographics and issues.

"We are excited to begin this new model of service delivery," said Driskill. "Because of drastic cuts in our funding and employees during the past two years, and the changing nature of business competition, our department has been put in the position of needing to do more with less."

Driskill stressed that members of each regional development team will be able to quickly connect anyone who needs DED services with the proper agency or staff member who can help them.

"This new approach will provide faster and more convenient access to services," he said. "It is really a 'no wrong door' approach, where community leaders and business people won't have to worry about knowing the proper agency or division to contact. The regional development team will be in charge of making sure appropriate attention is paid to requests for assistance and that follow-up reports are made."

Driskill said the team approach would complement a recent re-organization of the department, which combined the Business Expansion and Attraction and Business Development divisions into a new Business Services Division.

Each team will initially consist of five to six members from the Department of Economic Development. Teams will work from Jefferson City but will have frequent communication and in-person contacts with community and business leaders in each area. The initial teams will have representation from the Divisions of Community Development, Tourism, Business Services, Workforce Development, and from the department's research arm, the Missouri Economic Research and Information Center.

Staff from the Departments of Agriculture and Natural Resources, regional planning commissions, and the Missouri Manufacturing Extension Partnership (known as Missouri Enterprise) will also join the regional development teams as needs are identified in each region. Additionally, local business, community and development partners will be an important part of the work of the regional teams, because many job creation and retention services for businesses and communities are provided on the local level.

Economic Development initiates major reorganization *continued*

Business Expansion and Attraction and Business Development, - have been merged into a new Division of Business Services. With the recent departure of Dennis Roedemeier, who was director of Business Development, and the retirement on September 1st of Phil Tate, who had served as the director of Business Expansion and Attraction, Mike Downing has agreed to serve as the acting Business Services director while the department searches for a new division director.

"Mike has been with the Department of Economic Development since 1982 and is very familiar has great experience in the practice of economic development, especially in the financing of business projects around the state," said Driskill. "Additionally, he has an understanding of many of the issues we face, including our current reorganization plan and our regional team efforts, both of which will continue under Mike's interim leadership and when a new director is named. I am very pleased Mike has agreed to serve the department in this capacity."

Downing holds an undergraduate degree from Arkansas State University and a graduate degree in Public Administration from the University of Missouri-Columbia. He has held a variety of positions within DED, beginning in the Community Development Block Grant program.

Major budget and staff cuts over the past three years will mean that the new division will have to do more with less. But by changing the way we do business in this area, the department will be able to maintain its commitment to providing effective and efficient services to Missouri businesses and communities.

In Fiscal Year 2001 the two divisions had a combined general revenue budget of \$16.8 million and 67 staff positions. In Fiscal Year 2004, the two divisions will have a combined general revenue budget of \$7.3 million and 39 staff. A retirement incentive bill passed by the Legislature, which limits the number of vacancies that can be filled, will reduce staff to 34.

In the past three years general revenue funding and staff positions for the Department of Economic Development have been cut in half.

Distinct sections that existed within the two old divisions have been dissolved and the services have been distributed among teams: Business Recruitment and Marketing; Business Success; and Financial Services.

The Business Recruitment and Marketing Team will aggressively market Missouri as a great place to do business, both domestically and internationally. This team's goals will be to increase awareness of Missouri, increase the number of leads, and add to the number of businesses and employees in the state.

Members of the Business Success Team will be responsible for helping Missouri companies increase sales and become more successful, promote international sales opportunities, and help transition companies toward technology and new approaches to sustain competitiveness.

The Financial Services Team will prepare and coordinate financial assistance and proposals available to businesses and administer grant, loan, and tax credit programs.

"Clearly, this is a major restructuring for our department, but it is necessary for us to continue to be effective in providing services," said Driskill. "By collapsing our organizational structure and focusing more on services and regions than on programs and department divisions, we expect to be more effective in using the limited state resources that are available to us."

Holden signs bill to boost life sciences research

Gov. Bob Holden signed House Bill 688 into law July 10. The bill earmarks 25 percent of Missouri's future tobacco settlement proceeds to life sciences research grants.

"Ultimately this bill will encourage the expansion of life sciences grants that will stimulate economic growth in all parts of the state," said Holden. "Through advancements in the life sciences, we can provide better health, nutrition and an improved quality of life for our citizens."

"Missouri's central location, qualified workforce, renowned scientists and researchers, and strong community support make it easy for life sciences companies to succeed here. By working together, Missouri will continue to emerge as a leader in the life sciences for years to come. And, as a result of our efforts, our families, businesses and communities will enjoy economic growth and prosperity."

The bill creates a Life Sciences Research Trust Fund and a statewide Center for Excellence in Life Sciences Research. Centers for excellence will also be established in the St. Louis, Kansas City and Springfield areas.

A portion of the tobacco settlement proceeds will be earmarked for the trust fund beginning in Fiscal Year 2007. It is estimated that \$37 million annually will be available.

Join us for Missouri's premiere workforce development conference.

October 8-10, 2003
Tan-Tar-A Resort
Osage Beach, MO



Governor's Conference on
**Workforce
Development**
2003

Increasing Missouri Business
Advancing Workers, Business & Economic Growth

Who Attends the Conference?

- Business and Industry Leaders
- Chamber of Commerce Executives
- State & Local Economic or Community Development Organizations & Agencies
- State & Local Educational Agencies & Institutions
- Elected Officials at the State & Local Level
- Units of State & Local Government
- Labor Organizations & Agencies
- Workforce Development Organizations & Agencies
- Community-Based Organizations & Agencies
- Social Service Organizations & Agencies

The Conference will focus on the following areas:

- Employment & Staff Training
- Workforce Investment Boards
- Business & Economic Issues

Conference At A Glance

Wednesday, October 8, 2003

1:30 p.m. - 3:00 p.m.	Welcome /Opening Keynote Address Awards Ceremony <i>Keynote Speaker:</i> <i>Bob Holden, Governor</i>
3:15 p.m. - 4:30 p.m.	Concurrent Workshop Sessions

Thursday, October 9, 2003

7:30 a.m. - 12 noon	Exhibit Hall Open
9:00 a.m. - 10:00 a.m.	General Session
10:00 a.m. - 10:30 a.m.	Refreshment Break/Visit Exhibits
10:30 a.m. - 11:45 a.m.	<i>Super Sessions</i>
12 noon - 1:15 p.m.	Lunch
1:15 p.m. - 5:30 p.m.	Exhibit Hall Open
1:30 p.m. - 2:30 p.m.	Concurrent Workshop Sessions
2:30 p.m. - 3:00 p.m.	Refreshment Break/Visit Exhibits
3:00 p.m. - 4:00 p.m.	Awards Ceremony

Friday, October 10, 2003

8:30 a.m. - 9:30 a.m.	Concurrent Workshop Sessions
9:45 a.m. - 10:45 a.m.	Concurrent Workshop Sessions
11:00 a.m. - 12 noon	Closing General Session

Visit the 21st Annual Governor's Conference on Workforce Development web site at www.ded.state.mo.us/wfd

Missouri businesses receive state job training funds

In August, the Missouri Department of Economic Development (DED) and its Division of Workforce Development approved nearly \$4 million in state assistance to help companies offset costs associated with training and upgrading the skills of thousands of Missouri workers.

The customized training funds will be used to facilitate classroom training and on the job training for more than 16,000 new or existing employees in 130 companies in Missouri. A listing of the companies receiving assistance is available on the Media Center on the department's Web site: www.missouridevelopment.org. The funds are the first round of training grants to be released in the state's current fiscal year that began on July 1. Companies will use the funds to pay for training programs customized to their particular industry and local needs.

The Missouri Job Development Program assists new or expanding businesses in their efforts to train employees in newly created jobs and to retrain or upgrade skills of existing employees. The purpose of the program is to increase and improve the quality of the state's workforce through training initiatives so that Missouri companies can be more competitive.

The training grants were made to fewer companies and in smaller amounts than in previous years due to substantial budget cuts passed by the General Assembly. Compared to FY 2001, the current year's appropriation is 41% less.

The program is offered through DED's Division of Workforce Development in cooperation with the Department of Elementary and Secondary Education. Community colleges and area vocational technical schools will provide training locally with cooperation from local workforce investment boards.

DED awards \$14.9 million for community improvement projects

The Missouri Department of Economic Development announced in July that 101 community-based organizations throughout the state would receive about \$14.9 million in state tax credits to help raise funds for projects that strengthen and revitalize Missouri neighborhoods.

These not-for-profit organizations, which focus on revitalizing neighborhoods and improving communities, will receive state tax credits through the Neighborhood Assistance Program (NAP) administered by the Missouri Department of Economic Development. The program is designed to assist not-for-profit organizations raise private-sector funds by providing partial state tax credits to businesses that make contributions to approved community improvement projects.

Not-for-profit organizations participating in the NAP program provide services to help individuals in their community with crime prevention; education; job training; and physical revitalization; or provides community services such as counseling, day care, senior citizen centers, recreation, food, and transportation.

The approved organizations will receive tax credits that will leverage approximately \$28 million in private contributions. Credits can equal up to 50 percent of the total amount contributed, or up to 70 percent for projects located in most rural areas.

A list of approved projects, communities and amounts, can be accessed at

<http://www.ded.state.mo.us/communities/communitydevelopment/pdfs/nap2004.pdf>.

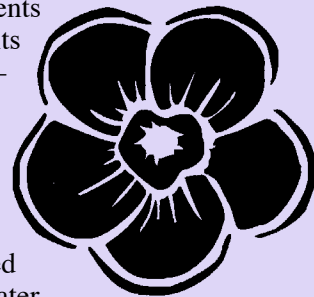
Midwest, Japan explore biotechnology opportunities

After a very successful KAMBI "BioSymposium" co-organized with the Missouri Department of Economic Development and the Hawthorn Foundation in St. Louis on February 27, 2003, the Japan External Trade Organization (JETRO Chicago) will host The Midwest-Japan Biotechnology Summit on September 10, 2003, at the Chicago Hilton and Towers in Chicago, Illinois.

Co-organized by over 30 bio-related organizations and universities from 12 Midwestern states, the afternoon summit will bring together for the first time representatives of the Midwest biotechnology and life science clusters and high-level executives from Japanese biotech related companies to build business relationships, enhance collaboration, and explore opportunities for investment.

The Midwest - Japan Biotechnology Summit is the latest in JETRO's series of events

supporting its Kansai Midwest Bio-technology Initiative (KAMBI), an initiative designed to build greater



linkages in the areas of business, investment, research and development, while enhancing visibility for the biotechnology sectors of the Midwest region of the United States and the Osaka-Kansai region of Japan.

This initiative will culminate with the JETRO US - Midwest BioMission to Osaka from October 18-25, when local companies and bio-related organizations will have the opportunity to visit Japan and further their development plans with the companies of Kansai's biotech and life science clusters.

For more information regarding the Midwest Japan Biotechnology Summit or the US Midwest BioMission to Osaka, contact David Peterson at JETRO Chicago, 312-832-6000, by e-mail at david_peterson@jetro.go.jp or on the Internet at www.jetrocgo.org.



Phil Tate retires from state service

After nearly seventeen years with state government, six of which were with the Department of Economic Development, Phil Tate retired effective September 1.

During his tenure at the department, Tate served as the director of Business Expansion and Attraction. Under his direction, initiatives based on customer focus, strategic planning and quality improvement helped facilitate a new strategic direction which enabled the division to meet and exceed its goals to aid in the attraction and expansion of businesses in Missouri. In addition, the state's successful Regional Cooperative Marketing Program was implemented under his direction as a means to help the department's local partners market particular regions. He also worked hard to maintain close partnerships with local economic development agencies and helped advance a new community profile and electronic leads distribution system called Missouri LocationOne.

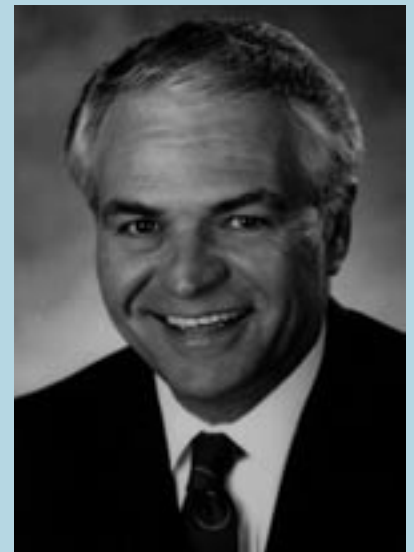
Most recently, Tate had agreed to lead a transition toward a new way of doing business within the Department of Economic Development, serving as interim director of the newly formed Business Services Division. In the future, he will make himself available, on a contract basis, to continue assisting the department in its reorganization.

"We all wish Phil well in his retirement and I am happy with the great job he has done through the years here at DED," said Joseph L. Driskill, DED director. "We will certainly miss him."

Tate also served as president of the Hawthorn Foundation, a private, not-for-profit corporation that raises private capital to further economic development efforts in Missouri.

Prior to his position with the department, Tate served six terms in the Missouri House of Representatives. There he chaired the Appropriations Committee on Natural and Economic Resources and was instrumental in the passage of most economic development legislation during his tenure there. Before his service and dedication to the citizens of Missouri in this capacity, he operated his own private-sector business for 20 years in Gallatin.

Tate's management style, coupled with his broad based background in the private sector, legislative arena and practical experience in urban and rural settings, brought new levels of success in the marketing of Missouri, as well as to the Department of Economic Development in general. We wish him well in his retirement and his future endeavors.



NEWS BRIEFS

Mexico training center to expand

The Missouri Department of Economic Development has approved a \$250,000 innovative grant, through the Community Development Block Grant Program for the city of Mexico. The grant will facilitate the expansion of the Advanced Technology Center, an education and training facility that will offer advanced or specialized technological training for workers throughout the entire mid-Missouri region.

Since 1998, the Advanced Technology Center has served students, including nontraditional students and older displaced workers, in 14 mid-Missouri counties. As technological advances are changing the skills required of the state's workforce, the Center is proposing a 15,600-square-foot expansion to create a unique training facility that will accommodate new training programs, such as medical and science technologies and a laser/photonics complex.

According to the city's application, several local businesses have pledged their support with donations of equipment or in-kind services in order to support the Center's efforts of training the local workforce. In addition, local in-kind and federal resources will also be used to finance this project.

Heavy industrial manufacturing operation moves to Kansas City

The Missouri Department of Economic Development has announced the approval of development tax credits that will assist in the location of American Grinding Systems, L.L.C. to Kansas City.

American Grinding has purchased all the assets of recently bankrupt Grinding Systems, Inc. The company, which manufactures steel mining balls, will invest \$2 million to restart the Grinding Plant in Kansas City. The company will also create 21 new jobs and retain five jobs. Twelve employees have already been hired.

The Missouri Department of Economic Development has approved up to \$250,000 in development tax credits, as requested by the Economic Development Corporation of Kansas City. The tax credits will help offset a donation made to the Corporation by American Grindings, and will leverage the company's

expansion. The donation was made in the form of equipment, which will be leased back to American Grindings to equip the new location.

American Grindings will locate at the former GST/ARMCO plant site and also plans to purchase another 10 acres on the former steel mill site. The grinding plant is a heavy industrial manufacturing operation that requires highly skilled electricians. The grinding balls are used to extract ore from mined rock.

State assistance aids expansion of Farmington company, new jobs

State tax credits will aid in the expansion of the Molding Company, Inc. in Farmington, resulting in a \$4 million private investment, 30 new jobs and more than 50 jobs retained there.

The Missouri Department of Economic Development approved up to \$150,000 in Development Tax Credits for a \$300,000 donation made by the Molding Company to the Chamber of Commerce Focus on Farmington Foundation. The not-for-profit foundation requested state tax credits to help offset the donation, which will be made in the form of equipment. The equipment will be leased back to the Molding Company.

The Molding Company manufactures an extensive line of playground equipment and a wide array of other products, providing customers with full product design, development and engineering services. The company plans to expand its Farmington facility by 40,000 square feet and install \$1.5 million of rotational molding equipment to expand its product lines.

State loan brings new business to Washington's industrial park

A state loan will facilitate the location of a new business, Eaglejet Wire & Machine, Inc., in Washington. The machine shaft manufacturer intends to move into the city's Town and Country Industrial Park and create 12 new jobs and \$1.8 million in investment.

The Missouri Department of Economic Development has awarded a \$300,000 Action Fund Loan through the Community Development Block Grant program to the city of Washington on behalf of Eaglejet. The loan will be used for working capital.

Eaglejet plans to purchase a 17,000-square-foot manufacturing facility for the new business, which began in St. Peters. The relocation is necessary to solicit a long-term contract with Electrolux to supply washing machine parts. If the contract is approved, Eaglejet would hire more employees.

Funding for Lewis and Clark activities available from Arts Council

The Missouri Arts Council, the state Division of Tourism and the Missouri Lewis and Clark Bicentennial Commission has announced a special opportunity grant for celebrations of the bicentennial commemoration of Lewis and Clark and the Corps of Discovery. A pool of \$30,000 has been set aside for the aptly named Lewis and Clark Grant. The grant provides up to \$3,000 in matching funds for arts activities that are components of commemorative events.

Organizations that receive other grants from the council may also apply for this unique opportunity. To be eligible to apply, organizations must be Missouri-based, tax-exempt as determined by the IRS, incorporated as a nonprofit, and the arts program must be open and accessible to the public.

Guidelines and an application are available at www.missouriartscouncil.org/html/applications/mini.shtml. Applications are accepted each month and reviewed by the council executive committee to determine specific grant awards. Grants will be awarded until the funds are depleted.

MISSOURI ENTERPRISE

Missouri Enterprise is the official publication of the Missouri Department of Economic Development. Submit your articles to: Missouri Enterprise, P.O. Box 1157, Jefferson City, MO 65102.

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